

Giant talents

Thailand's elephant population plummeted among other things because of deforestation. However, at the Thai Elephant Conservation Center, near Lampang, elephants hold the trump(et) card.

In this orchestra, an ensemble of 12 improvising Asian multi-instrumentalist elephants from the jungle of Northern Thailand play profoundly beautiful music on specially designed instruments. The range of percussion and wind instruments has been supplied by Richard Lair, an elephant expert, and David Soldier, a musician and neuroscientist. The giant performers are given the initial cue and then they improvise, flapping their ears to the beat, swishing their tails and adding impromptu bouts of trumpeting.

That the elephants take it with great enthusiasm is no wonder because they are natural candidates for making music. Their hearing is much keener than their sight, and they employ a vast range of vocalizations. Ancient Romans and Asian mahouts, or elephant handlers, have noted elephants' ability to

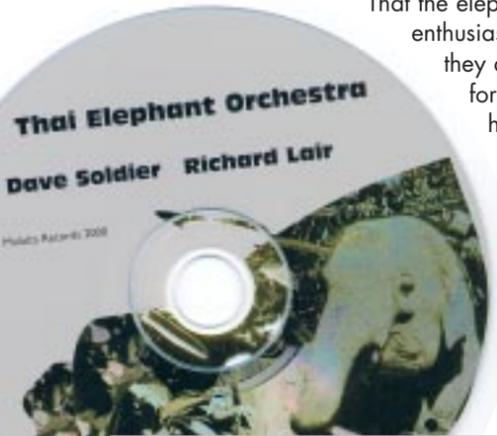


distinguish melodies, and today's circus elephants follow musical cues. The Thai Elephant Orchestra plays 15 minute daily concerts at the Center but can also be heard on their first CD. But music is not their only creative outlet. They also like to paint. One of the most intriguing aspects of elephant art is that every elephant has his or her own style. Some marvelous prices have been achieved for some of these astonishing paintings. In March 2000, paintings of the most talented elephant artists were even auctioned at Christie's and helped raise \$25,000. In 2002 the Berkeley Art Museum, Berkeley, hosted an exhibition of elephant artists.

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However Mr. Lair is sensitive to any charges of exploitation. But with habitat vanishing and a large number of unemployed elephants after logging was banned in Thailand, the elephant's creativity helps generating funds to provide proper care and support the Center.

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FUN & EXCITEMENT

Happy holiday!

While in some parts of the world summer is near at hand in other places the winter season just starts. Anyway, whenever and wherever you have spent your holidays in 2003 we would like to invite you to send us your favorite vacation picture.

Of course we will print a selection in the next issue so that you can share your fun and excitement with our readers.



Please sent your entry to: Oiltanking GmbH, Connections Team, "My vacation picture", Admiralitaetstrasse 55, 20459 Hamburg, Germany or send it by e-mail to connections@oiltanking.com



connections

MOVING LIQUIDS: EVENTS AND INSIGHTS



Meet Oiltanking's new Managing Director • Icy experiences • OT's smallest terminal • From birds to lighthouses • Typical Peruvian ...

OILTANKING ODFJELL GROWS AND GROWS AND

SINGAPORE Built within 2 years of Phase 1 and 2's completion, the Phase 3 and 4 expansions represent the fast paced transformation of the Oiltanking and Odfjell Joint Venture (OOTS) in Singapore into a formidable full-scale chemical terminal.

With relatively larger tanks added to its portfolio, OOTS will have a complete range of tank capacities to comprehensively cater for both the current and anticipated logistical needs of the local and regional industry. Moreover, the inclusion of hardware to serve products like Phenol, Hexene and Glycols marks a new-found maturity for the site. (See on Page 4)

SPORTS & LEISURE

Oiltanking Uphill 2003



Having fun in the snow (from left): Martijn van Koolwijk (OT Antwerp), Paul Workman (Skytanking), Peter van Wessel (OT Brazil), Pieter Schueler (OT GmbH). (See on Page 4/5)

Meet Oiltanking's new Managing Director

As of July 1st Oiltanking has a new Managing Director. Connections had a brief discussion with Ton Floors to give you some insight.



Ton Floors

CONNECTIONS: What attracted you in Oiltanking?

TON FLOORS: For me Oiltanking stands for expansion. I like to work for a privately held company because these companies tend to have a flat organisational structure with short decision making lines and high levels of responsibility locally; where I think it belongs. Furthermore, privately held - and even more family owned - companies have differentiated themselves by their entrepreneurial spirit. This no-nonsense culture where people make the difference appeals to me.

You knew Oiltanking before you joined as its MD. What was your impression of our company?

With my former employer, SHV, we were looking into outsourcing our terminal activities in Asia. I recognised that Oiltanking has a quick follow-up. Decisiveness in combination with timely feedback, even when this was not always positive. For a company this provides clarity and makes it possible to move on.

Oiltanking is a company which choose the expansion route

over the last years, something I can fully support and sympathise given the opportunities provided. I think it is important to create a deal flow and to build track records to see where promises are being kept to be able to make investment decisions on a more effective basis in the future.

What is your educational background and could you describe your career path briefly?

I studied Economics in Rotterdam, The Netherlands. I am a no-nonsense economist. After my studies I started to work in the oil industry with Mobil Oil Corporation. The first 4 years I spend in Marketing Planning in the Netherlands, followed by 6 years as a Gasoil trader in London and in Germany. Afterwards I went to work for the Corporate Centre in the USA for 3 years to be followed by 4 years in the Chemical segment. These last 4 years I was responsible as MD for Mobil Plastics in Europe, North Africa and the Middle East. After Mobil I worked for SHV, a 12 billion Euro - Dutch family owned - company where I have been responsible for the emerging gas markets. The last 3 years I was based in Paris.

In which of your jobs were your biggest overlaps with our type of industry?

I was closest to Oiltanking's business when I was a trader in London and Germany for Mobil. I was active in the Russian gasoil and storage in Amsterdam, next to the Rhine-trade. However, when I worked for SHV I was responsible for global logistics. Based on my work experience I have a strong believe that companies should outsource their terminal activities if this doesn't belong to their "core" activity and try to minimise all their non-core capital assets.

I learned most from.....

To keep things simple and from the mistakes that I have made during my career. My believe is that mistakes should be rewarded since they stimulate creativity and entrepreneurial thinking. A second important "learning" for me, is the choice of your partners. Take your time from both sides before you decide to enter into a "business-marriage". I challenge strongly 50/50 joint ventures. There should always be clarity on shareholding to keep your decisiveness and agility. When you invest in each other's strength, there will always be a good "modus-operandi" which avoid 50/50 joint ventures. Let's keep things simple.

Greatest invention of mankind?

For me this is the piano. Although I do not play the piano that well, I associate it with creating and listening to music and I do not think it is possible to live without music!



The Oiltanking Amsterdam terminal: With the new tanks the tank capacity grew with 34 percent. The new jetties increased its capacity by 40 percent.

Huge steps taken

AMSTERDAM In the late 90's the market moved in favor of the independent storage companies in the Amsterdam-Rotterdam-Antwerp (ARA) region. At Oiltanking Amsterdam (OTA), one of the anchor customers requested additional tank capacity for gasoline blending.

It was agreed to build four tanks on a part of the last available land. The construction of 50,000 cbm storage capacity started in March 2001 and the first oil was stored in December 2001.

In the meantime the market continued moving towards the ARA region and more clients wished to expand their contract

capacity. In January 2002 OTA took a next step: the decision to build eight tanks with a total capacity of 150,000 cbm. All tanks were going to be danger class one tanks and thus suitable for the storage of low flash oil products. For this project an additional 7 ha of land had to be leased from the Port of Amsterdam. These tanks were commissioned in December 2002.

The number of vessels calling at OTA's docks has steadily increased over the last three years and is expected to grow even more because of the additional constructed capacity. Therefore, in order to maintain the good reputation in the market OTA requested and received approval from the shareholders to take another step: invest in additional jetty capacity. At this moment three extra jetties for barges, which alternatively can be used for sea-going tankers, are at the disposal of OTA's clients. In November 2002 after having signed another long-term agreement, OTA took a fourth step: Three tanks with a total capacity of 75,000 cbm will be operational before the end of 2003.

The last three years were years of tremendous growth in activities at the Amsterdam terminal. The tank capacity grew by 34 percent and the jetty capacity by 40 percent. During 2002 OTA handled more barges and sea-going vessels than ever in its entire history. Never before were so many people active at the terminal at the same time.



(Continued from first page) OOTS's growth thus far has been buoyed by the regional economic growth and on-going developments on Jurong Island. Constructed primarily for third party storage, the phase 3 and 4 expansions will provide a new range of tank sizes and supporting infrastructure to complement the existing assets. Chem 3 will house 4 x 2,500 cbm and 6 x 2,000 cbm mild steel tanks while Chem 4 will have 6 x 10,000 cbm mild steel tanks. It is envisioned that both Chem 3 and 4 will capture the expected long-term growth of the chemical industry both in Singapore and in the Asia Pacific region. With positive developments with regard to new investments on Jurong Island, the Chem 4 infrastructure will be particularly well positioned to support future chemical plants if and when they should materialize. Meanwhile, Chem 3 will further enhance OOTS's package to serve existing customers as well as those clients who seek storage for regional re-distribution. Already,

OOTS has received interest from the market for the new tanks. In addition two new tank truck loading bays equipped with individual weigh-bridges will be constructed to facilitate the third party business. Together with the existing facilities, the upgrade will not only support new business activities but also further improve the utilization of existing assets, which in turn will result in increased operational efficiencies.

Oiltanking Odfjell, terminal Singapore: The six Chem 4 tanks, still in scaffolding but nearing completion.

OILTANKING ODFJELL GROWS AND GROWS AND

SPORTS & LEISURE

Next Uphill:

Uphill 2004, again in Garmisch-Partenkirchen, Germany, will be organised by Jasper Neuteboom (OT Antwerp), who in his absence, was appointed volunteer with a majority of the votes.

Oiltanking employees can send an email to:

jasper.neuteboom@oiltanking.com to join the skitrip in January 2004 (Thursday, 29 January–Sunday, 1 February)



Pascal Van Laecke (OT Ghent), Bram Van de Velde (OT Ghent), Jos Vanderstraeten (OT Ghent), Aldo Arkeveld (OT Ghent)

Flannan Browne (Oiltanking Corporate Center): Even extreme weather conditions could not stop him from the challenging slopes.

If you know how tall Alexander Alexandrov (Oiltanking Bulgaria) is, then you have an idea how much snow had fallen in Garmisch.



Oiltanking Uphill 2003

GERMANY We knew that our colleagues are quite sportive but they can be very spontaneous too. When Jarek Zemlo (OT Corporate Center/Poland) suggested during lunch "let's go skiing together" he certainly did not envision that his idea would initiate an avalanche of enthusiasm.



"Let's go skiing together"! This idea initiated an avalanche of enthusiasm among Oiltanking colleagues. 30 came from all over the world for a leisure weekend.

Three colleagues volunteered to organize the three-day private trip. Within a month 30 colleagues from all over the world signed up for Uphill 2003 in Garmisch-Partenkirchen, Germany.

Some ski and snowboard enthusiasts arrived early and checked out the snow already on Thursday morning, while others arrived during the day and in the early evening even from places as far away as South America. After arranging their ski equipment the colleagues gathered at the hotel bar and had dinner together. Nevertheless, the lights went off early because everybody wanted to be well prepared for next day's skiing. Friday morning after a hearty breakfast several groups were formed according to their respective ski skills. Some groups

headed for the red slopes while another group went to look for the ski school to find out what skiing is all about. During dinner that night the experiences were shared and the various hilarious stories provided for a good laugh. Pieter Schueler (OT GmbH) told about his involuntary somersault downhill and Leo Kissel (OT GmbH) managed to fall during lessons on level ground, on the slope for beginners and even from the baby lift. And if that wasn't enough, he fell off the bench while taking off his ski boots! When the group parted Sunday afternoon to go back home, everyone had had a great time where the only things broken were a couple of ski poles.

Greetings from hell



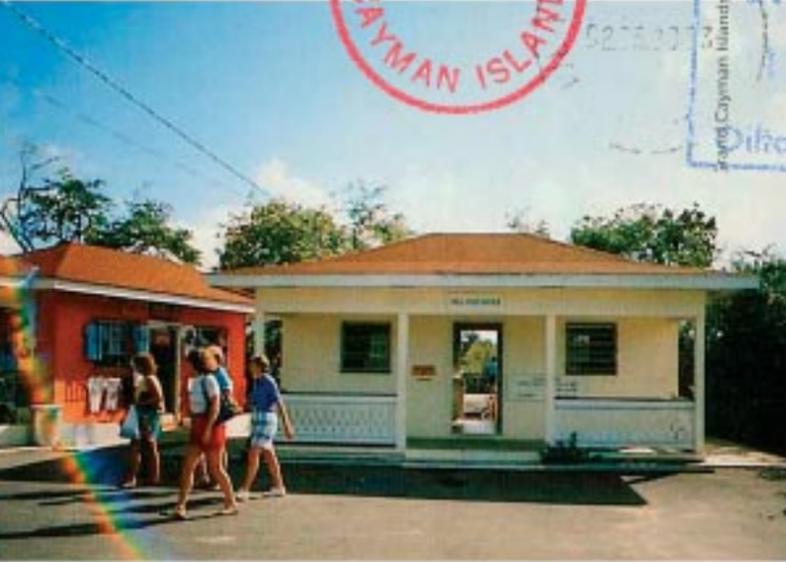
Mail from Hell: Doesn't necessarily mean bad news. In fact, Cayman

Islands stamps are sought after by philatelists worldwide.



Did you

ever receive mail from Hell? On the Cayman Islands you can send your greetings from Hell, a 4-acre area of West Bay Village that "Looks like Hell". So remarked a visiting dignitary in 1932, during his tour of this West Bay area. Due to the effects of eons of time (24 million years) this black "rock" formation was created from skeletons of sea life – shells, corals, "glued" and solidified by salt and lime deposits. A slightly acid rain has helped to meld the several sea creatures into one large rock. Underground earthquake movements of plates, and receding waters, have formed the raised sections over parts of the whole rock area, the salt burn from sea residue, and organic material. Left behind by dead fungi and bacteria, created blackened, pitted textures and jagged surfaces throughout the area.



Hell Post Office. Cayman Islands, British West Indies.



Luc Jorissen, marketing manager of OT Antwerp, Ghent and Terneuzen, calling customers (ex-proof) from his jetty office.

OT EBYTEM / ARGENTINA

The right way



Two of the new designed signposts at OT Ebytem.

Usually the streets of the OT Ebytem terminal have been identified with numbers thus allowing locating the facilities more easily (like tanks, pipelines) when new installations or maintenance tasks were necessary. Since March 2003 the matter-of-fact signposts got a creative addition, the name of other Oiltanking terminals' locations. If someone therefore says "The new pump will be installed where Malta meets Marquard & Bahls" it also means that "The new pump will be installed in the intersection of 46 and 41".

OT's smallest terminal



December 2002 was a unique moment in the history of Oiltanking: the acquisition of the smallest terminal. However, knowing the fact that this terminal has only a capacity of 0.014 cbm you soon will realize that it is a miniature tank farm. This tiny Oiltanking terminal is part of the largest model train system in the world, a permanent exhibition in the so called Kultur & Gewerbespeicher in Hamburg, Germany.

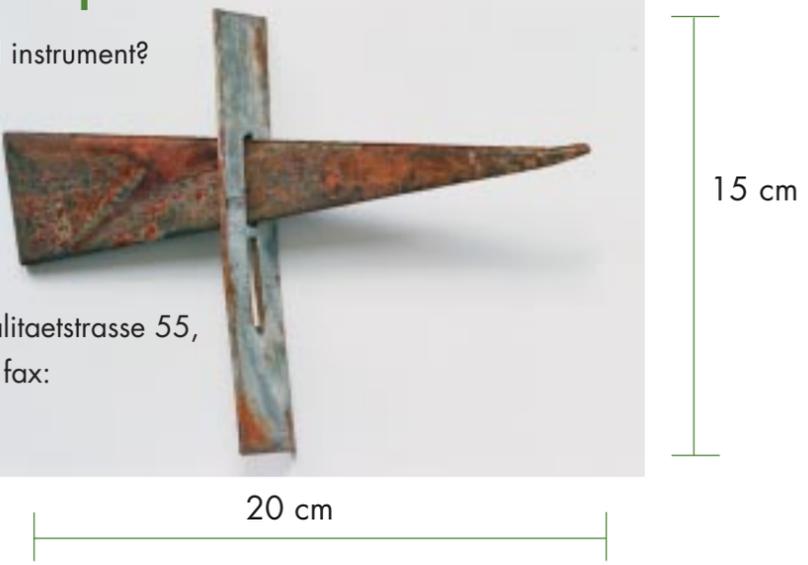
These 540 square meters of miniature train paradise have cost over 2.5 million Euro in total. More than 1,000 visitors are attracted every day admiring more than 500 locomotives with altogether over 7,000 railway carriages that are all computer driven. In order to make the surroundings look realistic almost 100,000 others miniatures were placed: around 50,000 trees, 30,000 people, 10,000 cars, 5,000 meters of railway. Do you want to have a look? Go to: www.miniatur-wunderland.de



Oiltanking's tiniest terminal: Part of the largest model train system in the world.

Connections quiz

- An ancient tool? A special musical instrument?
- Or maybe kitchen utensils?
- Do have any idea? Then please contact us by e-mail: connections@oiltanking.com or by mail: Oiltanking GmbH, Connections Team, "Quiz" Admiralitaetstrasse 55, 20459 Hamburg, Germany or by fax: +49 (0)40 370 99 499



Icy experiences

KOTKA / FINLAND What associations might people have with Finland? Finnish Vodka, Formula 1, Oiltanking Sonmarin? Marc Deisenhofer and Kevin Balke, two Oiltanking trainees from Germany, had their own experience during their stay at our terminal in Kotka and especially remember the freezing temperatures in Finland.

Both trainees went through the mill, not only because of the extensive trainee program but also because the winter of 2002/2003 was the coldest Finland had experienced in the past 20 years. Even for the local operators these weather conditions, with temperatures reaching below minus 30 degrees Celsius (minus 22 degrees Fahrenheit) for three consecutive weeks, proved to be somewhat of a challenge. The trainees learned that not only human beings can be cold but also cars. Kevin's VW Polo, which had a proven reliability track record for him, didn't make a noise when he tried to start it on one of the first very cold winter mornings. This problem continued for the next days until the car was towed to the Oiltanking terminal to be defrosted in a garage. After that he followed the advice of his colleagues and got a motor heating system installed, which is by the way, standard in Finnish cars. This system was still in use at the end of March, so it goes without saying it was worth the investment.

Impressive features of Finnish culture

Quite soon it became clear to Marc and Kevin that one of the most impressive features of the Finnish culture seemed to be the ability to appreciate extreme temperatures. That's why it is not at all surprising that a Finn won the Annual Sauna World Championship. Kevin says: "Just imagine you are sitting in a sauna with temperatures of 90 degrees Celsius (195 degrees Fahrenheit) when the person in charge comes in and throws some water in the oven. After that you feel every single drop

of water torture your skin (adding lots of water is preferred!). After that experience you then proceed outside and jump into the Baltic Sea. It should be noted that this is only a hole in the ice as the Baltic Sea is frozen and covered with a 60 centimeters thick layer of ice. In the Finnish winter one can drive to one of the islands off the coast over the ice by car. "If you are able to endure these freezing water conditions for longer than 10 seconds (no kidding), congratulations", Kevin adds. Presently a Finn who achieved a record time of 7 minutes and 34 seconds holds the Kotka Record. Kevin continues: "Should the sun be shining and the air temperature be minus 20 degrees Celsius (-5 degrees Fahrenheit) when you emerge in your swimming gear from the icy water, your body will give off steam and quite amazingly you are not feeling cold at all. On the contrary it is a fantastic feeling.

Surprising time within the Baltic States

Another unforgettable experience was sleeping in the woods next to an open fire with temperatures of minus 12 degrees Celsius (10 degrees Fahrenheit). Some Finnish vodka or rum with boiling hot water helped them to remain warm. On such outdoor occasions at the campfire, one is enlightened as to what the Finnish Way of Life really is about. Being one with nature is a way of life for a Finn and this becomes clear when you look at the number of people that go hunting in the endless woods or fishing in the sea or in one of the countless lakes. You can imagine that living somewhere deep in the woods with your next-door neighbor miles away takes a different philosophy of life. (Finland's population density is 15 persons per square km – compared to e.g. Germany's population density of 250 persons per square km).

Both trainees used their time off well. They traveled to the metropolises of the Baltic States: Stockholm/Sweden, Tallinn/Estonia and St. Petersburg/Russia. Of course they checked out the Helsinki nightlife, which to them seems to be in many respects somewhat different. It is not unusual that one will have to wait outside a nightclub in a queue for up to an

»If you are able to endure these freezing water conditions for longer than 10 seconds (no kidding), congratulations«

hour even if the temperature is well below the freezing point. Once one has battled his way inside, it might happen that nobody is in there, but a club without a queue of people in front of it after 10 p.m. seems to be considered not worth going to. Once inside one will immediately notice that the people are not only dressed up to the nines, but are also very polite and sociable. From midnight on even the most timid person should have no problem entering into conversations with others – thanks to the Finnish Vodka? Going home by taxi means long queues again.

So long Finland

While Marc already said farewell to the Finnish winter in May 2003 in order to go to the corporate center in Hamburg, Kevin stayed at OT Sonmarin until the end of June and had the chance to celebrate Midsummer.



From left to right: Ari Sottinen (OT Sonmarin), Kevin Balke (trainee), Marc Deisenhofer (trainee) and Kai Salo (OT Sonmarin)



Marc Deisenhofer (see photo) and Kevin Balke had to undergo an intensive trainee program including enduring freezing temperatures.



Finnish tradition: Kevin in the icy Finnish waters after a hot sauna.



MARKETING MATERIALS

From birds to lighthouses



In general, advertisements are expected to draw attention by being creative and innovative as well as entertaining. Claiming, "Doing the common, uncommonly well", you should anticipate that

Oiltanking terminals are located, it was about time to let them fly.

Now lighthouses shine on Oiltanking's marketing brochures. Again a symbol of "Where land and water meet." Although this new image also might look kind of abstract – "what do terminalling services have to do with lighthouses?" – there are some reasons behind it. A lighthouse is located on the shoreside and is the connection between land and sea just like our terminals. The lighthouse is the point to navigate to and is a guide and a strong reliable partner 24 hours a day just like Oiltanking.

the marketing material from Oiltanking is also rather unusual. In fact, some years ago Oiltanking introduced "Birds" as a key visual for its marketing brochures. Even though we liked our birds, each a typical species found near the shores of the countries where the

On the cover of the new Oiltanking marketing brochures:

Each lighthouse represents a country and can be found close to where Oiltanking terminals are located.

N. AMERICA



ASIA



EUROPE



FISH DISH "CEVICHE"

Typical Peruvian

Ingredients (6-8 servings)

- 1 kilo of white fish, preferably Sole
- 3 medium-sized red onions finely sliced lengthwise (julienne)
- 2 hot peppers cut in tiny small pieces
- Lemon juice
- Salt and pepper according to taste
- 1/2 kilo of sweet potatoes
- 2 corn on the cob

Preparation

Cut the fish into small cubes and place them on a flat dish. Then aggregate the salt and pepper. Add hot pepper and lemon juice until the pieces of fish are half covered by the lemon juice. Finally place the onion slices over all the previous preparation and let it rest for about 20 minutes until the fish is completely cooked by the lemon. Serve with pieces of boiled sweet potato and corn on the cob.

Buen Provecho!

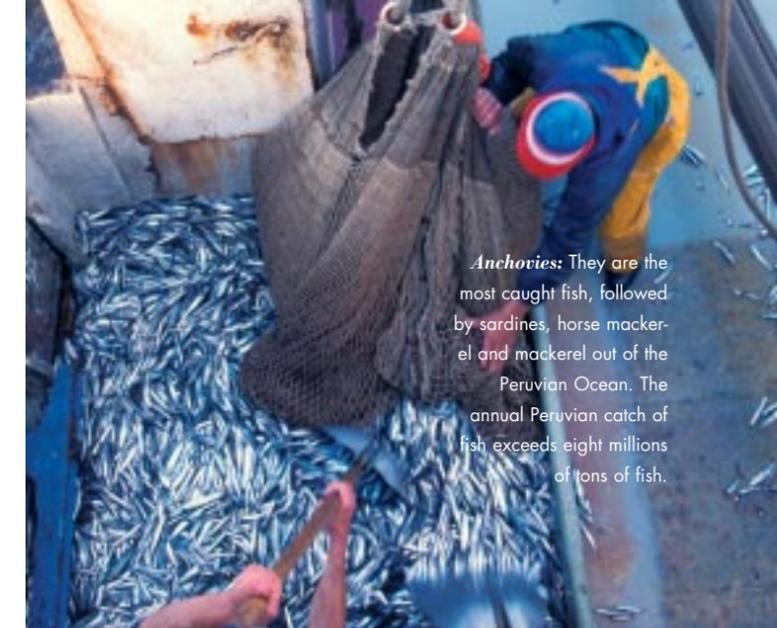
Fish is not always big in Peru

LIMA, PERU Whoever might travel to Peru will certainly come across the so-called "Ceviche", a typical Peruvian fish dish. One might as well find some of the nine Oiltanking terminals spread all over the country. What do Oiltanking and fish have in common?

Peru's offshore territorial ocean is 200 miles wide and approximately 1,900 miles long. Thus, making a living from fishing is almost obvious. To be specific: Between eight and ten million tons of fish are yearly caught in Peruvian waters. The fishing sector represents nearly 21 percent of the country's income with approximately US \$ 1,402 million in fish meal, fish oil, frozen-, canned- and smoked fish exports. Peru is the leading fish meal producer and supplies 30 percent of the world market and 60 percent of world exports. Other producers in order of market share are: Chile, China, Japan, Thailand, USA, Denmark, Iceland and Norway. The exporters are Peru, Chile, Denmark, Iceland and Norway.

Approximately 100 fish processing plants are situated all along the coastline. Seven of the Oiltanking terminals are located on the coast as well: Eten, Chimbote, Salaverry, Supe, Pisco, Mollendo and Ilo. These terminals all serve the fishing industry with emphasis on the fish meal industry. Besides other petroleum products these terminals store diesel oil that the fish processing plants need for their fleets of fishing ships as well as fuel oil for the boilers in the factories. The fishing industry contributes ten percent to OT Peru's total annual turnover and is thus important for the Peruvian venture.

The fish meal industry in Peru processes only anchovies which quantities and sizes are continuously monitored by the authorities in order to avoid extinction of the species due to over fishing. If a nature phenomenon like "El Niño" occurs



Anchovies: They are the most caught fish, followed by sardines, horse mackerel and mackerel out of the Peruvian Ocean. The annual Peruvian catch of fish exceeds eight millions of tons of fish.

which causes an increase of the seawater temperature, the consequences for the fishermen are enormous. The anchovies move to deeper water and the catch for the fishermen will be drastically diminished. The severity of the 2002-2003 El Niño was moderate compared to previous similar events in the last 50 years for the equatorial Pacific as a whole.

For the Peruvian fish industry as well as for Oiltanking it was good to hear from NOAA (National Weather Service / Climate Prediction Center) that current conditions and recently observed trends indicate that near-normal conditions will prevail through September 2003.

Did you know? Fish meal is produced from food fish trimmings and fish species for which human consumption is currently very limited or non-existent. It is a high protein animal feed ingredient, rich in beneficial oils, vitamins and minerals. It has proven benefits for livestock health, welfare and productivity. World wide usage is e.g. poultry, pigs, farmed fish, ruminants (mainly cattle and sheep).

Originally Peruvian fishermen recognized in certain years the appearance of unusually warm water in the Pacific Ocean. As this phenomenon would usually begin to peak around Christmas, they named it "El Niño" which in Spanish means "The Christ Child". Historical records cover an El Niño that took place in 1567.